

June 24, 2011

**Filed Via ECFS**

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

**Notice of Ex parte regarding: WC Docket Nos. 10-90, 07-135, 05-337 and 03-109, GN Docket No. 09-51 and CC Docket Nos. 01-92 and 96-45 in the matter of Connect America Fund, a National Broadband Plan for Our Future, Establishing Just and Reasonable Rates for Local Exchange Carriers, High-cost Universal Support, developing a Unified Intercarrier Compensation Regime, federal-State Joint Board on Universal Service, Lifeline and Link-up**

Dear Ms Dortch:

On June 23, 2011, Tony Duet of Lafourche Telephone Company, LLC d/b/a Visions Communications, Mary Meyer of Madison Telephone LLC, Archie Macias of Wheat State Telephone Company, Inc., Stuart Polikoff of The Organization for the Promotion and Advancement of Small Telecommunication Companies (OPASTCO), and Andy Denzer of Warinner, Gesinger and Associates, LLC met with the following members of the Federal Communications Commission's Wireline Competition Bureau, Jennifer Prime, Greg Seigel, Katie King, Kevin King, and Margaret Mc Carthy of Commissioner Copp's Office, and Angela Kronenberg Jennifer Prime, Greg Seigel, Katie King, Kevin King, and Margaret Mc Carthy of Commissioner Copp's Office, and Angela Kronenberg of Commissioner Clyburn's Office to discuss the FCC's pending universal service and inter-carrier compensation notice of proposed rulemaking in the referenced dockets. The discussion was both in general and how the proposed changes may impact Lafourche.

Tony Duet presented the company statics, information related to services and customer service provided to customers, network reliability, Rural Utilities Service (RUS) loans and the federal Universal Service Fund (USF) that were used to rebuild telecommunications infrastructure after catastrophic storms.

On behalf of Lafourche Telephone Company LLC d/b/a Visions Communications and pursuant to Section 1.1206(b) of the Commission's rules, a redacted version of this submission is filed for inclusion in the public record of the referenced proceeding.

Sincerely,



Andrew A. Denzer, Principal

**WARINNER, GESINGER & ASSOCIATES, LLC**

cc: Tony Duet, Lafourche Telephone Company, LLC d/b/a Visions Communications

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# **LAFOURCHE TELEPHONE COMPANY, LLC d/b/a/ VISION COMMUNICATIONS**

## **EX PARTE PRESENTATION TO FCC WIRELINE COMPETITION BUREAU STAFF**

**CONFIDENTIAL INFORMATION SUBJECT TO  
PROTECTIVE ORDER IN CC DOCKET NO. 01-92, WC DOCKET  
NOS. 05-337, 07-135 AND GN DOCKET NO. 09-51 BEFORE THE FCC**

**Washington, D.C.  
June 23, 2011**

# AGENDA

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- I. Introductions
- II. Purpose of Visit
- III. Lafourche Data
- IV. Lafourche Comments to FCC Proposals
- V. Questions
- VI. Conclusions

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# I. INTRODUCTIONS

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Tony Duet, President, CEO  
Lafourche Telephone Company, LLC  
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Andy Denzer, Principal  
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## II. PURPOSE OF VISIT

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- A. Provide Company specific data
- B. Address FCC proposed USF and ICC Reform

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# III. LAFOURCHE DATA

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## A. Lafourche Associations/Memberships

OPASTCO, NECA, LTA (10 small La. Telcos)

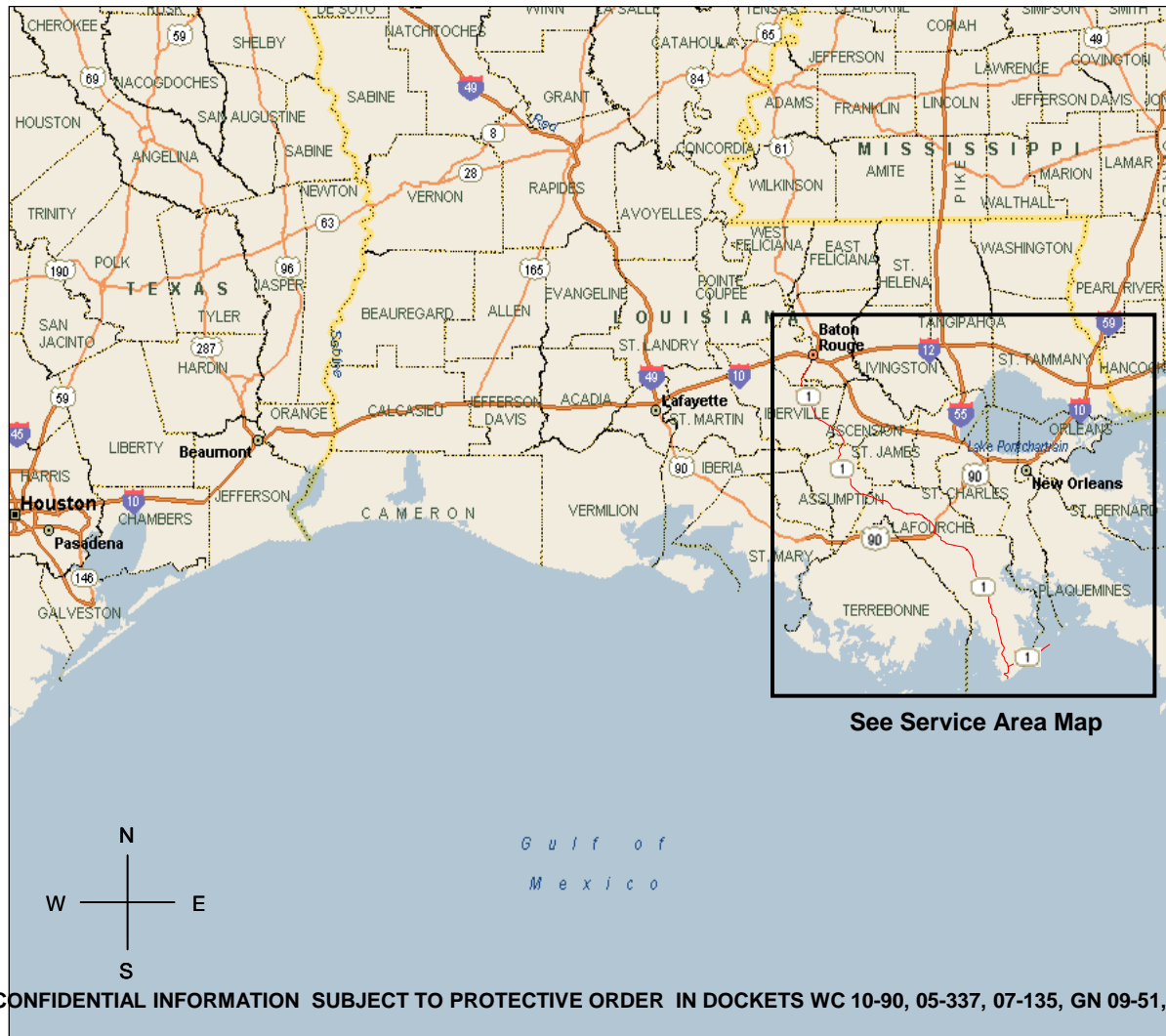
## B. Lafourche Telephone Company, LLC – Rate of Return ILEC

### Affiliates:

- SJI, LLC d/b/a/ Vision Long Distance – Provides LD
- SJI, LLC d/b/a Vision Communications – Provides Dedicated Internet Access, Internet Service via DSL, cable modem and dial-up it also provides Ethernet Transport and SONET Services
- Vision Communications, LLC – provides: CATV and Broadband
- SJI Services, LLC – Labor Services
- Global Properties II, LLC – Real Estate

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## C. MAP The Region



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Source: Microsoft Maps, Vision Communications

## D. Exchange Offices and CSAs



○ Exchange Offices and CSAs

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## E. Port Fourchon



**Port Fourchon is Located in the southern portion of our service territory and the tenants of the port serve the Oil and Gas industry and thus require the quality reliable communications services which Lafourche provides because of USF support received over the years**

- Dominant intermodal facility on the Gulf of Mexico
  - Most important service base for deepwater oil production
- Proximity to offshore oil and gas activities in the Gulf's federal Outer Continental Shelf ("OCS")
  - Over 600 offshore oil platforms within a 40-mile radius of the port
  - Services over 15-18% of the U.S. daily oil and gas supply
- Strong economic foundation
  - Company's service territory is commercially-oriented due to the strategic importance of this major energy hub
  - Creates over 8,000 jobs, over \$350 million in household earnings for area residents and over \$1.5 billion in annual sales to local businesses

## F. Corporate Time Line

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- 1945 John Brady, Sr. purchased Leeville Telephone (Galliano, Golden Meadow and Grand Isle exchanges)
- 1950 Formed Lafourche Telephone Company, Inc. with the purchase of Larose and Cut Off exchanges from Southern Bell
- 1955 Microwave system installed between Larose and Grand Isle
- 1956 First in industry to introduce direct distance dialing
- 1965 Hurricane Betsy destroys aerial facilities prompting Mr. Brady to apply to REA for funds to rebuild plant with buried facilities. Project completed in early 70's
- 1976 Full electronic computer exchange installed
- 1991 Installed a fiber optic network extending from the Leeville area to Port Fourchon
- 2001 Introduced DSL service

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## G. Sales and Customer Service

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- Customer service is an essential element of Vision's operations Team consists of a supervisor and CSRs
- Consistently trained
  - Hours are 8:00am to 5:00pm, Monday through Friday and until 6:00pm on Thursdays
- The customer service team is supported by the in-house call center
  - Team consists of a supervisor and call center agents
  - Handles after-hours calls and overflow calls throughout the day
  - Can provide limited services: Initiating trouble ticket, dispatching technicians, providing account information and taking payments
  - Operates 24/7/365
- The customer service team is supported by Installation/Repair personnel
  - Scheduled to work on Saturdays
  - On call personnel 24/7/365

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## H. Network Quality / Performance

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- **Network Quality**
  - All major network elements are designed to have 99.99% uptime
  - Battery backup power is used at all major network locations
  - Generator power is utilized at all core/hub sites
  - Portable generators are on hand for deployment to every site without a permanent back up generator in the event of an emergency
  - Most switches, routers and key network elements have redundant power supplies
  - A Ring Architecture is deployed throughout most core areas of the network to insure maximum network availability
  - Diverse route connectivity with ATT in the event of a disaster

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# I. Company Statistics

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- **Geography:**

- The ILEC is franchised to serve        square miles in the Parishes of Lafourche, Terrebonne, St. Charles Jefferson and Plaquemines, much of which is marsh land where there are no inhabitants resulting in        customers per square mile
- The majority of ILEC's customers are located within approximately        miles of the East and West banks of Bayou Lafourche running South and along La. Highway No. 1 to Fourchon continuing along La. No. 1 to Grand Isle as depicted on Slide 7

- **Network:**

- The network consist of        miles of buried copper cable and        miles of buried fiber
- The ILEC serves 5 exchanges - Larose, Galliano, Golden Meadow, Leeville and Grand Isle and additionally there are        CSAs in the system
- The host switch – a Nortel DMS 100-200, remote switches, and CSAs are connected with an OC-        and redundant OC-        fiber ring utilizing        miles of buried fiber
- The company is in the process of replacing the Nortel switching gear with a Genband C15 IP Switching Platform
- Total Plant in Service \$        million; Net Plant in Service \$        million

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# I. Company Statistics (Continued)

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- **Service Offerings and Customer Data:**

- % of the Access Lines are capable of receiving DSL service, three flavors of DSL are offered with the highest speeds being Mbps. Cable Modem service is offered at speeds of , or Mbps with most subscribing to the Mbps offering.
- At December 31, 2010:
  - Served Access Lines
  - customers subscribed to Life Line Service
  - DSL service was provided to customers, additionally the ILEC's affiliate served Broadband Customers using Cable Modems for an approximate penetration rate of %
  - Provided Special Access services ( and circuits) in our ILEC area. of these Special Access services are jointly provisioned with ATT the remainder serve our customers locations wholly within our operating area. These Special Access Services include T-1 service to towers for wireless carriers, service to the State Police Communications tower, service to libraries and to the tenants located at Port Fourchon

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# I. Company Statistics (Continued)

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- **Rates**

- Residential Local rate = \$14.78 plus \$6.50 Federal SLC, \$1.00 State SLC plus \$1.03 State USF; plus other surcharges such as Federal USF, 911, state taxes for a total bill of approximately \$26.00
- Multiline business rate of \$42.55 plus \$9.20 Federal SLC, \$1.00 state SLC \$1.03 State USF plus other surcharges such as Federal USF, 911, state taxes for a total bill of approximately \$61.00
- Broadband rates start at \$            and go up from there depending upon downstream and upstream speeds.

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# I. Company Statistics (Continued)

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- **Rates Continued:**

- Access rates – 2010 interstate (NECA rates) average rate of \$0.019003 per minute and intrastate average originating rate of \$0.002242 and terminating rate of \$0.017742 per minute

- **Economic impact:**

- Approximately        employees work for the ILEC; as with all rural companies, Lafourche and its employees are involved in the communities we serve by volunteering time, talent and treasure to civic and non-profit organizations. We take our Carrier of Last Resort obligations seriously and are proud of our record of providing high level voice and broadband service.
- Lafourche paid \$                in property taxes to local government authorities in 2010

- **Demographics**

- Estimated Population of five communities served at December 31, 2010 is 25,075
- Estimated Families below poverty level – 10.49% Ranging from a low of 6.7% to a high of 17.12% in the five communities served

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## IV. COMMENTS ON FCC PROPOSALS

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- The Telecommunications Act stated that federal support mechanisms “should be specific, predictable and sufficient to preserve and advance universal service.” The current federal support mechanisms are not sufficient to achieve ubiquitous broadband throughout the nation and sustain it at affordable rates. USF is used not only for connections, but USF also helps to maintain a high quality network at affordable rates.
- The FCC should ensure that any changes to federal support will preserve and advance universal service and will be “specific, predictable and sufficient.”
- Lafourche does not support the elimination of corporate operations expense recovery from USF mechanisms. Employees involved in this area of the business perform activities that are required for accounting, regulatory reporting, business planning, auditing, and the daily operations.

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## IV. COMMENTS ON FCC PROPOSALS (Continued)

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- It is critical that federal rules are sufficient and predictable for use in developing business plans to support the necessary network investments. As shown in this presentation, without USF the future investments for the infrastructure required for the telecommunications industry would be jeopardized.
- Lafourche requests that the FCC implement and enforce rules that provide Lafourche the ability to bill intercarrier compensation to all carriers who use their network, including VoIP providers, and at the same rate.
- Lafourche also requests that any changes to USF or inter-carrier compensation should be implemented slowly in stages so that the revenue impact can be measured as the FCC examines the success of its proposed national broadband plan.

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# V. QUESTIONS

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ARE THERE ANY QUESTIONS?

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## VI. CONCLUSIONS

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- Lafourche provides quality services supported by dedicated employees
- Lafourche's network offers diverse route connectivity and designed to have 99.999% uptime.
- Anything, such as the FCC's proposed changes in the NPRM, that threatens the USF program jeopardizes small rural carriers ability to provide quality and stable services to its customers.

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